

a U.S. bank or other U.S. person, is a prohibited transfer under § 537.201 if effected after the effective date.

**§ 537.409 Activities under pre-May 21, 1997 agreements.**

Pursuant to § 537.210(d), a U.S. person who is a party to a pre-May 21, 1997 agreement may enter into subsequent agreements where such agreements are pursuant to, or in exercise of rights under, the pre-May 21, 1997 agreement and are specifically contemplated by the pre-May 21, 1997 agreement, unless such subsequent agreements involve any activity prohibited by § 537.201(a) with respect to any person whose property and interests in property are blocked pursuant to Executive Order 13448 of October 18, 2007 (E.O. 13448), Executive Order 13464 of April 30, 2008 (E.O. 13464), or Executive Order 13619 of July 11, 2012 (E.O. 13619), or by § 537.203. The exercise of rights under a pre-May 21, 1997 agreement may include the exercise of options to extend the contract, depending on such factors as the degree of specificity with which the option to extend is described in the pre-May 21, 1997 agreement and the degree to which the party wishing to renew can enforce its decision to exercise the option, unless such exercise of rights involves any activity prohibited by § 537.201(a) with respect to any person whose property and interests in property are blocked pursuant to E.O. 13448, E.O. 13464, or E.O. 13619, or by § 537.203.

**§ 537.410 Contracts and subcontracts regarding economic development of resources in Burma.**

Section 537.204 prohibits new investment in Burma by U.S. persons. However, pursuant to § 537.530, U.S. persons may engage in new investment in Burma, provided that all conditions of that general license are satisfied. Section 537.311 defines the term *new investment* to include certain contracts providing for the general supervision and guarantee of another person's performance of a contract that includes the economic development of resources located in Burma. With respect to entry into such contracts, only the following will be considered new investment in Burma:

(a) Entry into contracts for supervision and guarantee at the highest level of project management, such as entry into a contract with a development project's sponsor or owner to become a prime contractor or general manager for a development project;

(b) Entry into subcontracts where the functional scope of the subcontractor's obligations is substantially similar to that of a prime contractor's or general manager's obligations for a development project; or

(c) Entry into a contract or subcontract where the consideration includes a share of ownership in, or participation in the royalties, earnings, or profits of, the economic development of resources located in Burma.

**§ 537.411 [Reserved]**

**§ 537.412 Investments in entities involved in economic development projects in Burma.**

(a) The purchase of shares in a third-country company that is engaged in the economic development of resources located in Burma is prohibited by § 537.204 where the company's profits are predominantly derived from the company's economic development of resources located in Burma. The purchase of such shares, however, is authorized by general license pursuant to § 537.530, provided that all conditions of that general license are satisfied.

(b) If a U.S. person holds shares in an entity which subsequently engages predominantly in the economic development of resources located in Burma or subsequently derives its income exclusively or predominantly from such economic development, the U.S. person is not required to relinquish its shares. Owning such shares, and purchasing additional shares is authorized by general license pursuant to § 537.530, provided that all conditions of that general license are satisfied.

**§ 537.413 [Reserved]**

**§ 537.414 Charitable contributions.**

Unless specifically authorized by OFAC pursuant to this part, no charitable contribution of funds, goods, services, or technology, including contributions to relieve human suffering, such as food, clothing, or medicine,